

STAFF REPORT



ITEM NO. 16

CITY OF OCEANSIDE

DATE: April 5, 2006

TO: Chairman and Members, Community Development Commission

FROM: Economic Development & Redevelopment Department

SUBJECT: ADOPTION OF A BUDGET RESOLUTION TRANSFERRING \$250,000 FROM THE REDEVELOPMENT 2002 TAX ALLOCATION BONDS TO THE REDEVELOPMENT PIER AREA ACQUISITION AND RELOCATION PROGRAM FOR RELOCATION OF RESIDENTIAL TENANTS NECESSARY TO CARRY OUT AND IMPLEMENT THE REDEVELOPMENT PLAN

SYNOPSIS

Staff recommends that the Community Development Commission adopt a budget resolution transferring \$250,000 from the Redevelopment 2002 Tax Allocation Bonds to the Redevelopment Pier Area Acquisition and Relocation Program for the relocation of residential tenants necessary to carry out and implement the Redevelopment Plan.

BACKGROUND

In February 2000 the Redevelopment Agency began correspondence with property owners in a two-block area bounded by North Pacific Street, Pier View Way, North Myers Street and Seagaze Drive, to appraise and purchase certain properties necessary to carry out and implement the Redevelopment Plan. In 2002 and 2003 the Redevelopment Agency purchased parcels owned by Ellison/Heath; Hoyt; and Rego. One parcel was vacant land and the other parcels contained single-family and duplex dwellings. These properties are located on the site of the future beach resort hotel.

ANALYSIS

In November 2005 the Redevelopment Agency relocated a tenant from 106 North Pacific Street. The cost of this relocation was \$43,735. There are currently three households occupying the properties that remain to be relocated. Estimates to relocate the remaining tenants are approximately \$200,000. Staff is requesting \$250,000 to cover these relocation expenditures.

In 1981 the Agency adopted Relocation Assistance and Real Property Acquisition Guidelines to implement payments and administer relocation assistance. In 1990 a

revised version of these guidelines was adopted. Displaced person(s) will receive fair and reasonable relocation payments and assistance that include:

- A comparable replacement dwelling unit that is decent, safe and sanitary.
- The replacement dwelling must be within the financial means of the displaced person.
- The replacement dwelling must be comparable with respect to number of rooms, habitable space, and type and quality of construction.
- The replacement dwelling must not be in an area subject to unreasonable, adverse environmental conditions.

The computation of replacement housing payments is the difference between the current rent and the replacement property rent multiplied by a maximum of 42 months.

The Subordinate 2002 Tax Allocation Bonds (2002 TABs) were issued to provide approximately \$20 million for financing projects within the City of Oceanside Redevelopment Project Area. At present, funds remaining from the 2002 TABs amount to approximately \$2.2 million, of which \$1 million is unencumbered and available for use.

FISCAL IMPACT

A budget resolution is required to transfer \$250,000 from the 2002 Tax Allocation Bonds into the Redevelopment Pier Area Acquisition and Relocation Program to cover the cost of relocating the existing tenants of the pier area to carry out and implement the Redevelopment Plan.

COMMISSION/COMMITTEE REPORT

The Redevelopment Advisory Committee reviewed this report at its April 3, 2006 meeting. Any recommendations will be presented in writing prior to the Commission meeting.

CITY ATTORNEY ANALYSIS

City Attorney analysis does not apply.

RECOMMENDATION

Staff recommends that the Community Development Commission adopt a budget resolution transferring \$250,000 from the Redevelopment 2002 Tax Allocation Bonds to the Redevelopment Pier Area Acquisition and Relocation Program for the relocation of residential tenants to carry out and implement the Redevelopment Plan.

PREPARED BY:



KATHY BAKER
Redevelopment Manager

SUBMITTED BY:



STEVEN R. JEPSEN
Executive Director

REVIEWED BY:

Michelle Skaggs-Lawrence, Assistant to the City Manager
Mike Blessing, Deputy City Manager
Jane McVey, Economic Development & Redevelopment Director
Nita McKay, Financial Services Director



MSL

JMC

NMC

ATTACHMENTS/EXHIBITS:

Budget Resolution

RESOLUTION NO. _____

A RESOLUTION OF THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF OCEANSIDE AMENDING THE BUDGET FOR THE 2005-2006 FISCAL YEAR

WHEREAS, Resolution 04-R440-3 approving the budget for fiscal year 2005-2006 was adopted on June 16, 2004; and

WHEREAS, the Community Development Commission desires to approve certain amendments to said budget;

NOW, THEREFORE, the Community Development Commission of the City of Oceanside does resolve as follows: that the Financial Services Director is authorized to amend the budget as requested and to record interfund cash transfers as required in accordance with this resolution and Resolution 04-R440-3 adopting the budget for fiscal year 2004-2006 is hereby amended as follows:

Reviewed by Financial Services *fg nm*

<u>PURPOSE</u>		
To authorize an increase in budget of \$250,000 for relocation of residential tenants to carry out and implement the redevelopment plan using funds from the Redevelopment 2002 Tax Allocation Bond Issue proceeds.		
IN ORDER TO ACCOMPLISH THIS PURPOSE, THE FOLLOWING ACCOUNTING ENTRY IS NEEDED		
<u>ADDITION</u>	ACCOUNT NUMBER & NAME	AMOUNT
(591)	319412.5229 Other Misc.	\$250,000
<u>SOURCE</u>	ACCOUNT NUMBER & NAME	AMOUNT
(591)	591.3301 Fund Balance	\$250,000
FUND: (591) CDC-CRA General Projects Fund		

PASSED AND ADOPTED by the Community Development Commission of the City of Oceanside this ____ day of _____, 2006 by the following vote:

- AYES:
- NAYS:
- ABSENT:
- ABSTAIN:
- ATTEST:

CHAIRMAN OF THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF OCEANSIDE

SECRETARY